

March 2, 2009

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210

Dear Mr. Terreni:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending December 31, 2008:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$3.19
6. Debt Coverage Ratio or Earnings to Fixed Charges - 4.62 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

Sincerely,

M. Scott Foster
Manager - PEC Regulatory & Property Accounting
Progress Energy Service Company

c: John Flitter

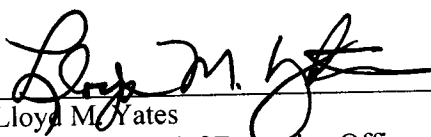
Enclosure

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2008 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

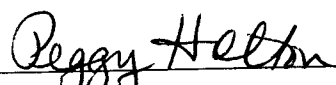


Lloyd M. Yates
President & Chief Executive Officer
Progress Energy Carolinas, Inc.

2/26/09

Date Signed

Subscribed and Sworn to before me this 26th day of February, 2009.



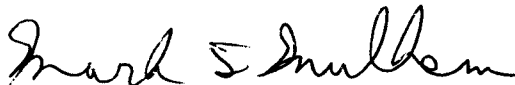
Notary Public
My Commission Expires: June 25, 2011

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2008 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.



Mark F. Mulhern
Chief Financial Officer
Progress Energy, Inc.

3/2/09
Date Signed

Subscribed and Sworn to before me this 2nd day of March, 2009.



Notary Public

My Commission Expires:

June 25, 2011

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED DECEMBER 31, 2008

DESCRIPTION ----- (1)	SYSTEM TOTAL - ELECTRIC OPERATIONS		
	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
	(2) \$	(3) \$	(4) \$
NET OPERATING REVENUE	4,435,219,204	(59,128,484)	4,376,090,720
OPERATING EXPENSE:			
NET O&M EXPENSES	2,741,221,922	(10,200,228)	2,731,021,694
DEPRECIATION	506,626,872	(5,038,059)	501,588,813
TAXES (OTHER THAN INCOME)	198,120,313	9,189,166	207,309,479
INCOME TAX - STATE	8,423,376	11,943,513	20,366,889
INCOME TAX - FEDERAL	101,484,075	52,708,725	154,192,800
PROV. FOR DEFERRED TAXES	215,544,259	(89,058,933)	126,485,326
INVESTMENT TAX CREDIT	(5,733,012)	-	(5,733,012)
TOTAL OPERATING EXPENSE	3,765,687,805	(30,455,816)	3,735,231,989
INCOME FOR RETURN:			
OPERATING INCOME	669,531,399	(28,672,668)	640,858,731
CUSTOMER GROWTH	4,723,769	(202,295)	4,521,474
INTEREST ON CUST. DEPOSITS	(4,617,515)	-	(4,617,515)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	669,637,653	(28,874,963)	640,762,690
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	15,559,503,280	326,354,295	15,885,857,575
PLANT HELD FOR FUTURE USE	2,968,263	-	2,968,263
RESERVE FOR DEPRECIATION	(8,316,013,125)	17,782,060	(8,298,231,065)
NET PLANT IN SERVICE	7,246,458,418	344,136,355	7,590,594,773
NUCLEAR FUEL INVENTORY	325,506,987	-	325,506,987
DEFERRED TAXES - LIB. DEPR.	(729,622,530)	159,262,533	(570,359,997)
REGULATORY ASSETS	115,510,783	(75,742,080)	39,768,703
WORKING CAPITAL:			
MATERIALS & SUPPLIES	969,130,479	(314,317,155)	654,813,324
CASH WORKING CAPITAL	416,467,873	-	416,467,873
UNCLAIMED REFUNDS	(473)	-	(473)
PREPAYMENTS	656,900	-	656,900
TAX ACCRUALS	(55,502,608)	-	(55,502,608)
CUSTOMER DEPOSITS	(81,832,399)	-	(81,832,399)
OPERATING RESERVES	(868,717,275)	-	(868,717,275)
CUSTOMER ADVANCES FOR CONSTR.	(22,172,551)	-	(22,172,551)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	358,029,946	(314,317,155)	43,712,791
TOTAL RATE BASE	7,315,883,604	113,339,653	7,429,223,257
RATE OF RETURN (%)	9.15		8.62

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED DECEMBER 31, 2008

DESCRIPTION	S.C. RETAIL TOTAL - ELECTRIC OPERATIONS		
	TOTAL	ADJUSTMENTS	TOTAL WITH
	PER BOOKS		ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	547,131,414	(5,242,762)	541,888,652
OPERATING EXPENSE:			
NET O&M EXPENSES	418,236,627	(16,658,344)	401,578,283
DEPRECIATION	63,836,129	(980,925)	62,855,204
TAXES (OTHER THAN INCOME)	13,854,355	304,877	14,159,232
INCOME TAX - STATE	407,396	2,430,938	2,838,334
INCOME TAX - FEDERAL	(14,947,797)	8,578,612	(6,369,185)
PROV. FOR DEFERRED TAXES	11,438,067	3,992,398	15,430,465
INVESTMENT TAX CREDIT	(818,521)	-	(818,521)
TOTAL OPERATING EXPENSE	492,006,256	(2,332,445)	489,673,811
INCOME FOR RETURN:			
OPERATING INCOME	55,125,158	(2,910,317)	52,214,841
CUSTOMER GROWTH	127,402	(6,726)	120,676
INTEREST ON CUST. DEPOSITS	(404,435)	-	(404,435)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	54,848,125	(2,917,043)	51,931,082
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,242,891,947	47,005,090	2,289,897,037
PLANT HELD FOR FUTURE USE	427,521	-	427,521
RESERVE FOR DEPRECIATION	(1,184,455,056)	2,494,488	(1,181,960,568)
NET PLANT IN SERVICE	1,058,864,412	49,499,578	1,108,363,990
NUCLEAR FUEL INVENTORY	46,954,203	-	46,954,203
DEFERRED TAXES - LIB. DEPR.	(116,010,593)	10,177,332	(105,833,261)
REGULATORY ASSETS	19,092,417	(10,909,197)	8,183,220
WORKING CAPITAL:			
MATERIALS & SUPPLIES	108,269,619	(12,087,562)	96,182,057
CASH WORKING CAPITAL	61,484,279	-	61,484,279
UNCLAIMED REFUNDS	-	-	-
PREPAYMENTS	107,501	-	107,501
TAX ACCRUALS	(6,746,973)	-	(6,746,973)
CUSTOMER DEPOSITS	(13,354,042)	-	(13,354,042)
OPERATING RESERVES	(123,817,878)	-	(123,817,878)
CUSTOMER ADVANCES FOR CONSTR.	(2,952,244)	-	(2,952,244)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	22,990,262	(12,087,562)	10,902,700
TOTAL RATE BASE	1,031,890,701	36,680,149	1,068,570,850
RATE OF RETURN (%)	5.32		4.86

PROGRESS ENERGY CAROLINAS
S.C. QUARTERLY REPORT
S.C. RETAIL - RETURN ON COMMON EQUITY
FOR THE TEST YEAR ENDED DECEMBER 31, 2008

"PER BOOKS"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT	RATIO			
	\$	%	\$	%	\$
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,487,006,847	43.99%	453,928,719	5.74%	26,055,508
PREFERRED STOCK	59,333,982	0.75%	7,739,180	5.73%	443,455
COMMON EQUITY	4,380,025,381	55.26%	570,222,801	4.97%	28,349,162
TOTAL CAPITALIZATION	7,926,366,210	100.00%	1,031,890,701		54,848,125

"ADJUSTED"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT	RATIO			
	\$	%	\$	%	\$
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,451,266,470	44.34%	473,804,315	5.74%	27,196,368
PREFERRED STOCK	59,333,982	0.76%	8,121,138	5.73%	465,341
COMMON EQUITY	4,273,723,273	54.90%	586,645,397	4.14%	24,269,374
TOTAL CAPITALIZATION	7,784,323,725	100.00%	1,068,570,850		51,931,082